

**Appendix E**  
**Services Agreement**  
**(Check one: Hosting \_\_\_\_\_ OR Software as a Service \_\_\_\_\_)**  
**DIR-SDD-2093**

This Services Agreement ("Agreement") is for either Hosting or Software as a Service as marked above. It is effective as of \_\_\_\_\_ ("Effective Date"), by and between AssetWorks Inc. ("AssetWorks"), with offices located at 998 Old Eagle School Road, Wayne, Pennsylvania, 19087 and the \_\_\_\_\_ ("Customer"), with offices at \_\_\_\_\_, on the following terms and conditions:

**1. AGREEMENT OVERVIEW**

AssetWorks uses a Data Center ("Data Center"), located at 998 Old Eagle School Rd., Wayne, PA 19087, and provides associated services to support customers that wish to outsource the operation and maintenance of computer applications listed in the Scope of Services as referenced in Attachment 1.

This Agreement describes the services to be provided by AssetWorks ("Services") the respective responsibilities of the parties, the service level objectives ("SLOs"), and the problem management process. This Agreement incorporates the following Attachments that shall be considered an integral part of this Agreement:

- Attachment 1 Scope of Services
- Attachment 2 Service Level Objectives
- Attachment 3 Fee Schedule

**2. SERVICES**

AssetWorks will perform the services ("Services") as described in the Scope of Services, set forth in Attachment 1.

The general scope of services addressed by this Agreement includes the operation, maintenance, and support of the:

- Database software for the Applications hosted under this agreement
- Database security
- Data Center server operation

The scope of services specifically excludes operation and maintenance of the following:

- Customer hardware, including Customer's servers, printers, network hardware (including routers and switches) and other Customer site computing equipment;
- Customer application software other than noted in the Scope of Services; and
- Customer Local Area Networks ("LAN")
- Customer network infrastructure for connecting to the Internet and to the AssetWorks Data Center

The Services shall be provided subject to the Terms and Conditions, which follow.

**3. TERM**

The Term of the Agreement shall commence as of the Effective Date and shall continue for five (5) years ("Initial Term") unless terminated earlier as set forth below. At the end of the Initial Term, the Agreement shall automatically renew for successive one-year terms unless or until either party provides the other party with written notice of non-renewal at least ninety (90) days prior to the end of the then current term.

#### **4. FEES AND PAYMENT**

In accordance with DIR Contract No. DIR-SDD-2093, Customer shall pay AssetWorks the applicable fees as set forth in the Fee Schedule, Attachment 3.

AssetWorks shall invoice Customer annually, in advance, and all invoiced fees shall be due and payable in accordance with Appendix A, Section 7. Purchase Orders, Invoices and Payments.

#### **5. CUSTOMER RESPONSIBILITIES**

The Customer is responsible for:

- Assigning a primary and alternate Customer representative to coordinate all communications and activities related to AssetWorks services.
- Providing user identification data and determining the appropriate security profile for each user. Customer will control security at the Application level.
- All printing. No print job will print at the Data Center and all physical printing requirements will be handled by the Customer.
- The purchase and installation of printers at Customer's sites for the Application being utilized as defined in the Scope of Services.
- Installation, operation and maintenance of all workstation software (and Customer's LAN, existing data communications configuration, hardware, or software required at the Customer's site except as otherwise stipulated in the Scope of Services. AssetWorks network and network responsibility extends from the AssetWorks routers at AssetWorks' sites to all connected equipment at AssetWorks' sites.
- Testing updates and fixes applied by AssetWorks to Applications used by Customer. With the exception of emergency fixes, Customer will test updates and fixes prior to their introduction to the Production environment within a mutually agreed upon time frame.
- Testing upgrades. Upgrades will be moved to production by the AssetWorks at the end of the Customer testing period unless specific problems are documented in writing to AssetWorks.
- Diligent analysis of suspected problems to determine their specific nature and possible causes before calling the AssetWorks for assistance. Notwithstanding this diligence requirement, Customer is responsible for informing AssetWorks of any problems encountered in a timely manner.

#### **6. OWNERSHIP OF SOFTWARE AND DATA**

Customer shall not obtain any ownership rights, title or interest in the software, hardware or systems developed or employed by AssetWorks in providing Services under the Agreement. AssetWorks shall not obtain any ownership rights, title or interest to Customer's data files. Upon expiration or termination of the Agreement for any reason, AssetWorks agrees to provide Customer with a copy of Customer's data files, as they exist at the date of expiration or termination. If this Agreement for Hosting, nothing contained herein is intended to modify the Customer's rights under any separate license agreement between Customer and AssetWorks.

#### **7. WARRANTY DISCLAIMER/LIMITATION OF LIABILITY**

Except as expressly set forth herein, provider disclaims all warranties relating to the services or deliverables provided hereunder, including but not limited to any warranty of fitness for a particular purpose or merchantability. Provider shall not be liable for any punitive, indirect, incidental, special or consequential damages, including but not limited to lost data or lost revenues or profits, however arising, even if provider has been advised of the possibility of such damages. AssetWorks' liability for any and all damages (including attorneys' fees) under this Agreement (whether in contract or tort) shall in no event exceed fees paid to provider during the previous 12-month period. The parties acknowledge and agree to the foregoing liability risk allocation. Any claim by Customer against AssetWorks relating to this agreement must be made in writing and presented to AssetWorks within six (6) months after the date on which this Agreement expires or is otherwise terminated.

## **8. TERMINATION FOR DEFAULT**

Termination Terms are detailed in Appendix A, Section 10.B. Termination of DIR Contract No. DIR-SDD-2093.

## **9. GOVERNING LAW; VENUE.**

The laws of the State of Texas shall govern the construction and interpretation of the Contract. Exclusive venue for all actions with be in state court, Travis County, Texas. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

## **10. ASSIGNMENT**

Assignment Terms are detailed in Appendix A, Section 4.D. Assignment of DIR Contract No. DIR-SDD-2093.

## **11. SEVERABILITY**

If any provision of the Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any manner.

## **12. ENTIRE AGREEMENT**

DIR Contract No. DIR-SDD-2093 and this Agreement and any schedules and exhibits thereto contain the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersedes and replaces any and all prior or contemporaneous proposals, discussions, agreements, understandings, commitments, representations of any kind, whether oral or written, relating to the subject matter hereof or the Services to be provided hereunder. In the event of a conflict of terms, the terms of DIR Contract No. DIR-SDD-2093 will have precedence.

## **13. FORCE MAJEURE**

Force Majeure Terms are detailed in Appendix A, Section 10.C. Force Majeure of DIR Contract No. DIR-SDD-2093.

## **14. WAIVER**

No provision of the Agreement may be waived unless in writing, signed by both of the parties hereto. Waiver of default of any provision of the Agreement shall not operate or be construed as a waiver of any subsequent default of such provision, nor shall a waiver of any one provision of the Agreement be deemed to be a waiver of any other provision.

## **15. AMENDMENTS, SUPPLEMENTS**

The Agreement may be amended or supplemented only by the mutual written consent of the parties' authorized representative(s).

## **16. BINDING EFFECT, BENEFITS**

The Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Notwithstanding anything contained in the Agreement to the contrary, nothing in the Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of the Agreement.

## **17. NOTICES**

All notices under the Agreement will be in writing and will be delivered by personal service, certified mail, postage prepaid, or overnight courier to such address as may be designated from time to time by the relevant party, which initially shall be the addresses set forth on the signature page to the Agreement. Any notice sent by certified mail will be deemed to have been given five (5) days after the date on which it is mailed.

**18. HEADINGS**

The Section headings in the Agreement are inserted only as a matter of convenience, and in no way define, limit, or extend or interpret the scope of the Agreement or of any particular Article or Section.

**19. AUTHORIZATION**

Each of the parties represents and warrants that the Agreement is a valid and binding obligation enforceable against it and that the representative executing the Agreement is duly authorized and empowered to sign the Agreement.

**20. DISPUTE RESOLUTION**

DisputeTerms are detailed in Appendix A, Section 10.A. Enforcement of Contract and Dispute Resolution of DIR Contract No. DIR-SDD-2093.

**21. RELATIONSHIP OF PARTIES**

The relationship of the parties shall at all times be one of independent contractors. Nothing contained herein shall be construed as creating any agency, partnership or other form of joint enterprise between the parties.

**22. CONFLICTING PROVISIONS**

This Agreement and all of the exhibits, schedules, and documents attached hereto are intended to be read and construed in harmony with each other, but in the event any provision in any attachment conflicts with any provision of this Agreement, then this Agreement shall be deemed to control, and such conflicting provision to the extent it conflicts shall be deemed removed and replaced with the governing provision herein

**23. COUNTERPARTS**

The Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**24. COUNSEL**

By execution of this Agreement, each of the Parties acknowledges and agrees that it has had an opportunity to consult with legal counsel and that it knowingly and voluntarily waives any right to a trial by jury of any dispute pertaining to or relating in any way to the transactions contemplated by the Agreement, the provisions of any federal, state or local law, regulation or ordinance notwithstanding.

## 25. SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized representative(s).

**“AssetWorks”**  
**AssetWorks Inc.**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

**“Customer”**  
**Customer**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

Address:

998 Old Eagle School Road  
Suite 1215  
Wayne, PA 19087

Telephone (610) 687-9202

Fax (610) 971-9447

Address:

Telephone:

FAX:

## **Attachment 1 - Scope of Services**

All of the services, functions, processes, and activities described below will be collectively described as the “Services” for purposes of this Agreement. All Services will be provided by AssetWorks to and for the Customer’s benefit in a manner that will meet the objectives outlined in Attachment 2.

### **Application**

If this Agreement is for Hosting, Application refers to the Customer’s software licensed from AssetWorks pursuant to a separate license agreement which software may include 3<sup>rd</sup> Party Software. The Application is hosted by AssetWorks pursuant to this Agreement.

If this Agreement is for Software as a Service, Application refers to the software provided by AssetWorks pursuant to this Agreement.

### **Support Software**

Support Software includes the operating system, utilities, database software, and all necessary licenses required to operate the Application and provided by AssetWorks as part of the Services.

### **Database Instances**

AssetWorks will maintain a single Production Database instance. This Production Database will provide the daily, real-time transaction data to the Application users.

In addition to the Production Database, AssetWorks will maintain one additional, non-production Database (Test). Upon request by Customer, AssetWorks will populate these additional Databases with Customer’s Production data up to 4 times throughout the calendar year at no additional cost.

### **Backups**

Full database and incremental file system backups are taken each night and stored at an offsite facility. Backup data is retained for 14 days.

### **Hours of System Operations**

The Application will be accessible and available to the Customer and capable of any and all normal operating functions 24 hours a day, seven days a week except for periods of Scheduled Maintenance and previously approved outages. AssetWorks will not be held responsible for inaccessibility arising from communications problems occurring anywhere beyond the AssetWorks side of the router resident at the Data Center, nor will these hours of unavailability be counted as unavailable. Standard Support hours are M-F, 7am – 7pm Central, excluding holidays. After-hours support is only available for connectivity or system inaccessibility issues and can be reached at (800) 659-9001 Option: 4.

### **Data Center Maintenance**

AssetWorks will complete routine maintenance on the Application according to the published schedule. AssetWorks will publish schedules for subsequent years on its Customer Support web site. AssetWorks will provide at least 30 days notice to any changes in the schedule.

If AssetWorks is required to perform additional maintenance outside of the Scheduled Maintenance window, it will notify the Customer in writing of its request. The Customer and the AssetWorks will mutually agree on the downtime, which will then be considered a period of Scheduled Maintenance.

**Application Maintenance—Software as a Service Only.** (If this is for hosting, application maintenance is provided under a separate agreement and associated fee.)

#### **1. Correction of Deviations**

In the event that the Customer encounters an error and/or malfunction (“Deviation”) in the Software, the Customer shall communicate the circumstances and any supporting information to AssetWorks. Upon receipt, AssetWorks will respond as follows:

a. In the event that, in the mutual and reasonable opinion of AssetWorks and Customer, there exists a Deviation that does not constitute a serious impediment to the normal intended use of the Software, AssetWorks will correct the Deviation and distribute the correction in accordance with AssetWorks' normal Software revision schedule.

b. In the event that, in the mutual and reasonable opinion of AssetWorks and the Customer, there exists a Deviation that does constitute a serious impediment to the normal intended use of the Software, AssetWorks will take such steps as are required to correct the Deviation with all due dispatch. Corrections will be applied and distributed to the latest software release. AssetWorks will have no obligation to provide development support for an issue that can be resolved by Customer installing a revision to the software.

2. Software Revisions. The Software may be revised by AssetWorks as a result of the correction of Deviations and/or the release of upgrades or improvements or modifications designed to improve the performance of the Software and/or to increase the capabilities of the Software (hereafter "Revisions"). No charge shall be made to the Customer for either Mandatory Revisions or Optional Revisions.

### 3. Telephone Hotline Assistance

AssetWorks shall make available technically qualified personnel to respond to all reasonable telephone requests, Monday through Friday, excluding State holidays, during normal business hours, that may be made by the Customer relating to the application and operation of the Software.

### 4. Technical Literature

AssetWorks shall make available to the Customer on line all technical literature that is considered by AssetWorks to be relevant to the Software and its use within the scope of Customer's operations.

### 5. Proper Use

a. The Customer agrees that all reasonable effort shall be taken to ensure that neither the Software nor data files are misused.

b. In the event that the Customer or its agents misuses the Software or data files, including, but not limited to, inserting, updating, deleting or otherwise modifying data through a means other than the Software, although AssetWorks is not obligated to correct such misuse, AssetWorks shall be entitled to attempt to correct the situation, if possible, at Customer's expense.

c. In the event that diagnostic assistance is provided by AssetWorks, which, in the reasonable opinion of AssetWorks and the Customer, relates to problems not caused by a Deviation in the Software, such assistance shall be at the Customer's expense

## **Attachment 2 - Service Level Objectives**

This Service Level Agreement ("SLA") is intended to provide an understanding of the level of service to be delivered by the AssetWorks for the Services specified in Attachment 1. The service levels set forth below apply to the Services provided by AssetWorks under the Agreement.

### **AVAILABILITY**

AssetWorks will use commercially reasonable efforts to provide Services with an average of 95% Availability (as such term is hereinafter defined) for each quarter during the Term. For purposes of the Agreement, "Availability" during any quarter refers to an Authorized User's ability to log into the Application during such quarter, and will be calculated in accordance with the following formula:

$$x = (y - z) / y * 100$$

Where,

- "x" is the Availability of the Application during the quarter;
- "y" is the total number of hours in such quarter minus the number of hours during such quarter that the Customer is unable to log into the Application because of (a) regularly scheduled maintenance windows for the Application and for times in which Customer has been notified in writing (including e-mail) by AssetWorks in advance thereof; (b) a Force Majeure Event; (c) non-performance of hardware, software, ISP connections, and other equipment that is not provided by AssetWorks or certified by AssetWorks for use in conjunction with the Services (except as such non-performance is directly or indirectly caused by AssetWorks).
- "z" is the number of hours in such month during which the Customer is unable to log into the Application (other than for reasons set forth in the definition of "y" above); provided that AssetWorks has been notified or is otherwise aware (or reasonably should be aware) of Customer's inability to utilize the Application.

### **FEE ADJUSTMENT**

In the event that AssetWorks does not meet the Availability levels set forth below, the amount of fees payable by Customer will be reduced as follows:

In the event the average Availability for the Application is less than ninety five percent (95%) during any two consecutive quarters, Customer will receive a credit to its account with AssetWorks of five percent (5%) of the amount of a quarter's aggregate Services Fees paid or payable by Customer to AssetWorks.

AssetWorks' obligation to provide Customer with fee adjustments as set forth above is conditioned on Customer providing detailed written notice to AssetWorks of its contention that AssetWorks was unable to meet the applicable Availability levels. Upon receipt of such notice, AssetWorks shall have thirty (30) calendar days to investigate the contention. If, at the end of the thirty (30) calendar day period it is determined that AssetWorks did in fact fail to meet the applicable Availability levels, Customer will receive the appropriate credit to its account during the next invoice cycle.

The remedies set forth in this Section of this Attachment shall be Customer's sole remedy and AssetWorks' entire liability in the event of a breach of this Agreement, including the failure of any Availability measurements to meet the thresholds set forth above.

### **Attachment 3 – Fee Schedule**

This section provides the fees payable to AssetWorks. License fees are governed by DIR Contract No. DIR-SDD-2093 and a separate Software License Agreement between the parties.

#### **Start-Up Fee**

The Set-Up fees are as follows for a 60-Month contract: \$\_\_\_\_\_

#### **Service Fees Structure**

AssetWorks will invoice Customer in advance on an annual basis. The annual service fee will begin on the effective date of this Agreement. Annual fee for Services described on Attachment 1, including Application Maintenance if this Agreement is Software as a Service. \$\_\_\_\_\_

#### **Concurrent Usage Limit:**

#### **Fee Adjustments**

For additional Customer database instances requested beyond the existing Production and Test instances, a one-time fee will be charged for creation and an annual fee will be charged as long as the instance exists at the Data Center.

Additional Database Creation Fee: \$2,500

Annual Service Fee for Additional Database: \$9,000/yr

#### **Professional Services Fees**

To the extent allowable by DIR Contract No. DIR-SDD-2093, work requested by Customer beyond that described in Attachment 1, will be charged at the following rates. Before any work is done which would incur charges billed as Professional Services Fees, the AssetWorks will supply a proposal describing the work and providing an estimate of hours, cost, and completion date. Customer approval will be required before work can begin.

Project Management, per hour

Training and Subject Matter Expert Consulting, per hour

Development, per hour

#### **Travel Expenses**

Travel Expenses Terms are detailed in DIR Contract No. DIR-SDD-2093, Section 4.G. Travel Expense Reimbursement.

#### **Adjustment of Fees**

The fees set forth above shall remain in effect during the first year of the Agreement beginning on the Effective Date. Thereafter, AssetWorks shall have the right to adjust its fees upon 60 days prior written notice to Customer. AssetWorks shall not adjust its fees more often than once per year.